

Section 6 - Cost Estimates

MinnesotaCare as a State Children's Health Insurance Program

Estimated ■Projected Net Costs for
Children Under Age 19
For Enrollment in Excess of September 1998 Baseline

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
FAMILIES WITH CHILDREN					
Number of eligibles under age 19:					
September 1998	50,808	50,808	50,808	50,808	50,808
Estimated/ Projected					
Average by FY	51,705	53,101	57,334	59,461	60,530
Increment over 9198	897	2,293	6,526	8,653	9,722
Avg. mo. cost per eligible	77.66	93.79	105.48	113.35	121.85
Avg. monthly premium	20.47	20.88	21.92	23.02	24.17
Total payments	835,588	2,580,307	8,260,739	11,769,265	14,215,435
Total revenue	220,237	574,395	1,716,938	2,390,137	2,819,856
Net cost	615,350	2,005,912	6,543,800	9,379,127	11,395,579
Federal share @ CHIP	406,439	1,324,704	4,308,438	6,169,590	7,496,012
State share	208,911	681,208	2,235,362	3,209,537	3,899,567

MinnesotaCare
Adjust Premiums in MinnesotaCare

FAMILIES WITH CHILDREN	FFY 2002	FFY 2003
Revenue Loss Component:		
Number of eligibles	101,448	103,278
Avg. monthly revenue–Current		
Avg. monthly revenue–Proposed	\$23.70	\$24.88
	\$19.12	\$20.07
Total revenue–Current		
	28,846,394	30,835,325
Total revenue–Proposed		
	23,273,271	24,877,940
Net cost		
	5,573,123	5,957,385
Enrollment Expansion Component:		
Expanded Number of eligibles	536	1,072
Avg. monthly payment		
	\$151.13	\$162.46
Avg. monthly revenue		
	\$60.95	\$64.00
Total payments		
	972,103	2,089,963
Total revenue		
	392,073	823,353
Net cost		
	580,031	1,266,610

**Loss of Premium Revenue from
American Indian Children**

Affected enrollees	503	512
Avg. monthly revenue	\$16.41	\$17.23
Total revenue		
	(\$99,066)	(\$105,896)
Total cost-impact of Revenue Loss and Enrollment Increase & American Indian Premium Reduction		
Federal Share @S-CHIP rate		\$6,252,220
State Share		4,112,710
		2,139,510

7,329,891
4,821,602
2,508,289

Presumptive Eligibility for Children

{To be determined}

MinnesotaCare
Families with Children

<u>Parents 100 -275%</u>	FFY 2001	FFY 2002	FFY 2003	FFY 2004
Avg. number of enrollees	27,756	28,975	30,158	31,213
Number of months	9	12	12	12
Avg. mo.payment	\$220.95	\$233.38	\$250.88	\$269.70
Avg. mo. revenue	\$ 26.94	\$ 29.89	\$ 31.39	\$ 32.96
Annual payments	\$ 55,195,286	\$ 81,145,430	\$90,791,454	\$101,016,587
Annual revenue	\$ 6,729,746	\$ 10,393,218	\$ 11,358,260	\$ 12,343,558
Net cost for parents	\$48,464,540	\$ 70,752,211	\$79,433,194	\$ 88,673,030
SCHIP Federal share	\$ 31,879,974	\$45,988,937	\$ 51,63 1,576	\$57,637,469
State share	\$ 16,584,565	\$24,763,274	\$ 27,80 1,618	\$ 31,035,560

Special Health Initiatives to Improve Public Health

Budgets for Existing Mental Health Grant Programs

S-CHIP Enhanced Match for Existing Grant Programs	FFY 1999 @66.05%	FFY 2000 @ 66.04%	FFY 2001 @ 65.78%
<u>Mental Health Screening for Children in Juvenile Court</u> Annual spending Annual S-CHIP match	\$ 1,010,000 667,105	\$ 1,047,800 691,967	\$ 1,071,200 704,635
<u>Health Care Outreach and Services for Homeless Children and Adolescents</u> Annual spending Annual S-CHIP match	\$ 732,000 483,486	\$ 759,665 501,676	\$ 776,620 510,861
<u>Access to Mental Health Services for Children without Coverage</u> Annual spending Annual S-CHIP match	\$ 15,316,607 10,116,619	\$ 18,338,329 12,110,632	\$ 19,365,791 12,738,817
<u>Access to Dental Care</u> Annual spending Annual S-CHIP match		\$ 400,000 264,160	

Demonstration Project Totals:

<u>Initiative</u>	<u>FFY 99</u>	<u>FFY 00</u>	<u>FFY 01</u>	<u>FFY 02</u>	<u>FFY 03</u>
Increased enrollment in MinnesotaCare					
Total Cost	615,350	2,005,912	6,543,800	9,379,127	11,395,579
State	208,911	681,208	2,235,362	3,209,537	3,899,567
Federal	406,439	1,324,704	4,308,438	6,169,590	7,496,012
Premium adjustment in MinnesotaCare					
Total Cost				6,252,220	7,329,891
State				2,139,510	2,508,289
Federal				4,112,710	4,821,602
Presumptive Eligibility in MA and MinnesotaCare					
Total Cost	(To be				
State	determined)				
Federal					
MinnesotaCare Parents					
Total			<u>48,464,540</u>	<u>70,752,211</u>	<u>79,433,194</u>
Federal match			<u>31,879,974</u>	<u>45,988,937</u>	<u>51,631,576</u>
Special Health Initiatives					
MH Screening					
Total	1,010,000	1,047,800	1,071,200		
Federal match	667,105	691,967	704,635		
Homeless Children					
Total	732,000	759,665	776,620		
Federal Match	483,486	501,676	510,861		
Access to MH					
Total	15,316,607	18,338,329	19,360,791		
Federal Match	10,116,619	12,110,632	12,738,817		

	<u>FFY 99</u>	<u>FFY 00</u>	<u>FFY 01</u>	<u>FFY 02</u>	<u>FFY 03</u>
Access to Dental					
Total		400,000			
Federal Match		264,160			
 *Grand Totals:					
State	17,267,518	21,227,002	<u>71,953,513</u>	<u>76,101,258</u>	<u>85,841,050</u>
Federal	11,673,649	14,893,139	<u>50,142,725</u>	<u>56,271,237</u>	<u>63,949,190</u>

*We realize that the federal share is limited to the amount of S-CHIP allotments available in any given federal fiscal year.